

ST. LANDRY-EVANGELINE UNITED WAY  
OPELOUSAS, LOUISIANA  
FINANCIAL STATEMENTS  
FOR THE YEARS ENDED DECEMBER 31, 2007 AND 2006

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

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A CORPORATION OF CERTIFIED PUBLIC ACCOUNTANTS

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors  
St. Landry-Evangeline United Way  
Opelousas, Louisiana

We have audited the accompanying statements of financial position of St. Landry-Evangeline United Way, a nonprofit corporation, as of December 31, 2007 and 2006, and the related statements of activities, functional expenses and cash flows for the years then ended. These financial statements are the responsibility of St. Landry-Evangeline United Way's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of St. Landry-Evangeline United Way as of December 31, 2007 and 2006, and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

*John S. Dowling & Company*

Opelousas, Louisiana  
May 18, 2009

ST. LANDRY-EVANGELINE UNITED WAY  
OPELOUSAS, LOUISIANA  
STATEMENTS OF FINANCIAL POSITION  
UNRESTRICTED  
DECEMBER 31, 2007 AND 2006

<u>ASSETS</u>	<u>UNRESTRICTED</u>	
	<u>2007</u>	<u>2006</u>
Cash in MidSouth Bank		
Checking - Account #1	\$33,570	\$38,094
- Account #2	17,723	38,890
- Disaster relief account	12,994	40,167
- United Way of America grant	2,574	12,769
Platinum Market Business account	147,624	45,899
Cash in Washington State Bank		
- Hurricane Katrina		540
Cash in United Together Fund accounts		3
Due from UCHC		
Expense reimbursements		9,841
Operation Caring Communities		50,000
Due from Southern Breeze		94,613
Advance to Lighthouse Mission	9,000	
Interest receivable		4,327
Prepaid rent	1,500	
Unrestricted promises to give		
2005 campaign		67,273
2006 campaign	124,818	401,326
2007 campaign	457,686	
Property and equipment, net	24,318	25,010
Occupancy deposit	<u>1,000</u>	<u>1,000</u>
<u>Total assets</u>	<u>832,807</u>	<u>829,752</u>
<u>LIABILITIES AND NET ASSETS</u>		
<u>LIABILITIES</u>		
Accounts payable	\$335	\$1,995
Payroll taxes payable	5,852	9,750
Allocations payable	110,352	98,561
Designations payable	<u>70,624</u>	<u>77,749</u>
<u>Total liabilities</u>	<u>187,163</u>	<u>188,055</u>
<u>NET ASSETS</u>		
Unrestricted	<u>645,644</u>	<u>641,697</u>
<u>Total net assets</u>	<u>645,644</u>	<u>641,697</u>
<u>Total liabilities and net assets</u>	<u>832,807</u>	<u>829,752</u>

The accompanying notes are an integral part of these statements.

ST. LANDRY-EVANGELINE UNITED WAY  
OPELOUSAS, LOUISIANA  
STATEMENTS OF ACTIVITIES  
UNRESTRICTED  
FOR THE YEARS ENDED DECEMBER 31, 2007 AND 2006

	UNRESTRICTED	
	2007	2006
<u>REVENUES AND OTHER SUPPORT</u>		
Contributions - 2005 campaign		\$26,921
Contributions - 2006 campaign	\$29,960	442,398
Contributions - 2007 campaign	518,339	
Campaign underwriters/sponsorships	1,000	
Disaster relief grants	432	206,647
Disaster relief donations	1,100	9,995
Food for Families	2,145	
Grant - Emergency Interiors	70,000	
50 <sup>th</sup> anniversary sponsors	2,500	
Racing to Care income	17,221	15,448
Miscellaneous contributions	4,106	1,373
Shipping fees income		21,386
In-kind donations		768,894
Auction income	3,611	
Interest income	1,725	7,390
Interest income - Southern Breeze	12,427	
<u>Total revenues and other support</u>	<u>664,566</u>	<u>1,500,452</u>
<u>EXPENSES</u>		
Program services		
Allocations		
Cash paid to agencies	331,000	399,552
Emergency Interiors	70,000	
United Way of America grant expense	11,983	
Disaster relief expenses		237,082
Salaries, benefits and travel	41,640	201,026
Service center usage by agencies		
Telephone	2,119	4,539
Utilities	1,973	3,437
Insurance	5,222	8,048
Building maintenance	156	756
Computer expense	416	829
Copier expenses	1,199	2,610
Supplies	1,130	1,629
Postage	807	1,045
Occupancy	5,610	7,200
Depreciation expense	2,082	2,032
Dues and subscriptions	4,337	
Accounting	5,780	
UCHC expenses	3,636	
Conferences	607	
Miscellaneous	789	
<u>Total allocations</u>	<u>490,486</u>	<u>869,785</u>
In-kind donations		1,653,244
Other program services	2,559	1,867
<u>Total program services</u>	<u>493,045</u>	<u>2,524,896</u>
Management, general and campaign		
Salaries	66,534	38,658
Payroll taxes	7,958	5,505

Continued on next page.

The accompanying notes are an integral part of these statements.

ST. LANDRY-EVANGELINE UNITED WAY  
OPELOUSAS, LOUISIANA  
STATEMENTS OF ACTIVITIES (CONTINUED)  
UNRESTRICTED  
FOR THE YEARS ENDED DECEMBER 31, 2007 AND 2006

	<u>UNRESTRICTED</u>	
	<u>2007</u>	<u>2006</u>
<u>EXPENSES</u> - Continued		
Other employee benefits	\$4,674	\$5,018
Travel	1,664	1,866
Campaign expenses	23,641	13,033
Dues and subscriptions	8,418	7,006
Telephone	4,112	4,540
Utilities	3,830	3,437
Insurance	10,136	8,046
Building maintenance	304	756
Postage	1,566	1,046
Copier expense	2,328	2,610
Supplies	2,193	1,629
Conferences	1,178	9,692
Computer expense	808	828
Occupancy	10,890	7,200
Accounting	11,220	
50 <sup>th</sup> anniversary expense	371	
Miscellaneous	1,528	1,259
Depreciation	4,041	4,065
Legal	180	266
<u>Total expenses</u>	<u>660,619</u>	<u>2,641,356</u>
<u>INCREASE (DECREASE) IN NET ASSETS</u>	3,947	(1,140,904)
<u>NONOPERATING EXPENSE</u>		
Loss on disposition of assets		(1,324)
Loss on sale of Eunice building		(97,827)
Net increase (decrease) in net assets	3,947	(1,240,055)
<u>NET ASSETS, beginning of year</u>	<u>641,697</u>	<u>1,881,752</u>
<u>NET ASSETS, end of year</u>	<u>645,644</u>	<u>641,697</u>

The accompanying notes are an integral part of these statements.

ST. LANDRY-EVANGELINE UNITED WAY  
OPELOUSAS, LOUISIANA  
STATEMENTS OF CASH FLOWS  
UNRESTRICTED  
FOR THE YEARS ENDED DECEMBER 31, 2007 AND 2006

	UNRESTRICTED	
	2007	2006
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>		
Cash received from contributors	\$462,466	\$640,594
Cash received from grants	70,432	
Cash from auction	3,611	
Interest income	14,152	7,390
Allocations paid	(176,553)	(300,676)
Cash paid for salaries and benefits	(124,704)	(246,997)
Cash paid to suppliers	(123,867)	(90,770)
Cash paid for disaster relief		(237,082)
Cash paid from grants	(81,983)	
Net cash provided (used) by operating activities	<u>43,554</u>	<u>(227,541)</u>
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>		
Acquisition of furniture and fixtures	(5,431)	(12,050)
Cash received on sale of assets		6,194
Net cash used by investing activities	<u>(5,431)</u>	<u>(5,856)</u>
<u>NET INCREASE (DECREASE) IN CASH</u>	38,123	(233,397)
<u>CASH, beginning of year</u>	<u>176,362</u>	<u>409,759</u>
<u>CASH, end of year</u>	<u>214,485</u>	<u>176,362</u>
<u>RECONCILIATION OF INCREASE (DECREASE) IN NET ASSETS TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</u>		
Increase (decrease) in net assets	\$3,947	\$(1,240,055)
Adjustments to reconcile:		
Depreciation	6,123	6,097
Book value on disposition of building		193,614
(Increase) decrease of in-kind		885,500
(Increase) decrease in receivables	35,876	(178,187)
(Increase) decrease in deposits		850
(Increase) decrease in prepaid rent	(1,500)	
Increase (decrease) in accounts payable	(1,660)	1,455
Increase (decrease) in payroll taxes payable	(3,898)	5,156
Increase (decrease) in pension payable		(80)
Increase (decrease) in telephone lease payable		(767)
Increase (decrease) in allocations payable	11,791	92,895
Increase (decrease) in designations payable	(7,125)	5,981
Net cash provided (used) by operating activities	<u>43,554</u>	<u>(227,541)</u>

Continued on next page.

The accompanying notes are an integral part of these statements.

ST. LANDRY-EVANGELINE UNITED WAY  
OPELOUSAS, LOUISIANA  
STATEMENTS OF CASH FLOWS (CONTINUED)  
UNRESTRICTED  
FOR THE YEARS ENDED DECEMBER 31, 2007 AND 2006

	<u>UNRESTRICTED</u>	
	<u>2007</u>	<u>2006</u>
<u>SUPPLEMENTAL DATA FOR NONCASH ACTIVITIES</u>		
Noncash campaign contributions		
Printing donated	\$1,000	\$1,000
Property and equipment		150
Noncash donation of property		
In-kind donations received		768,894
In-kind donations given out		1,653,244

The accompanying notes are an integral part of these statements.

ST. LANDRY-EVANGELINE UNITED WAY  
OPELOUSAS, LOUISIANA  
 STATEMENTS OF FUNCTIONAL EXPENSES - UNRESTRICTED  
 FOR THE YEARS ENDED DECEMBER 31, 2007 AND 2006

	2007			
	<u>Total</u>	<u>Program Services</u>	<u>Management and General</u>	<u>Campaign</u>
Allocations - cash	\$331,000	\$331,000		
Emergency Interiors	70,000	70,000		
Program services	2,559	2,559		
Compensation	100,808	34,274	\$33,267	\$33,267
Payroll taxes	12,059	4,101	3,979	3,979
Other employee benefits	7,082	2,408	2,337	2,337
Travel	2,521	857	832	832
Campaign expenses	23,641			23,641
Dues and subscriptions	12,756	4,338	4,209	4,209
Telephone	6,231	2,119	2,056	2,056
Utilities	5,803	1,973	1,915	1,915
Insurance	15,358	5,222	5,068	5,068
Building maintenance	460	156	152	152
Occupancy	16,500	5,610	5,445	5,445
Postage	2,373	807	783	783
Accounting	17,000	5,780	5,610	5,610
50 <sup>th</sup> anniversary expense	371		371	
United Way of America grant expense	11,983	11,983		
UHC expenses	3,636	3,636		
Copier expenses	3,527	1,199	1,164	1,164
Conferences/education	1,784	606	589	589
Miscellaneous	2,317	785	766	766
Depreciation	6,123	2,082	2,020	2,021
Computer expense	1,224	416	404	404
Supplies	3,323	1,130	1,096	1,097
Legal	180		180	
<u>Total expenses</u>	<u>660,619</u>	<u>493,041</u>	<u>72,243</u>	<u>95,335</u>
Percentage of total	100.00%	74.63%	10.94%	14.43%

Continued on next page.

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ST. LANDRY-EVANGELINE UNITED WAY  
OPELOUSAS, LOUISIANA  
STATEMENTS OF FUNCTIONAL EXPENSES - UNRESTRICTED (CONTINUED)  
FOR THE YEARS ENDED DECEMBER 31, 2007 AND 2006

	2006			
	<u>Total</u>	<u>Program Services</u>	<u>Management and General</u>	<u>Campaign</u>
Allocations - cash	\$399,552	\$399,552		
Disaster relief expenses	237,082	237,082		
In-kind donations	1,653,244	1,653,244		
Program services	1,867	1,867		
Compensation				
Disaster relief payroll	131,281	131,281		
United Way payroll	77,316	38,658	\$19,329	\$19,329
Payroll taxes	29,704	24,199	2,753	2,752
Other employee benefits	10,038	5,020	2,509	2,509
Travel	3,734	1,868	933	933
Campaign expenses	13,033			13,033
Dues and subscriptions	7,006		7,006	
Telephone	9,079	4,539	2,270	2,270
Utilities	6,874	3,437	1,719	1,718
Insurance	16,094	8,048	4,023	4,023
Building maintenance	1,512	756	378	378
Occupancy	14,400	7,200	3,600	3,600
Postage	2,091	1,045	523	523
Copier expenses	5,220	2,610	1,305	1,305
Conferences/education	9,692		9,692	
Miscellaneous	1,259		1,259	
Depreciation	6,097	2,032	2,032	2,033
Computer expense	1,657	829	414	414
Supplies	3,258	1,629	815	814
Legal	266		266	
<u>Total expenses</u>	<u>2,641,356</u>	<u>2,524,896</u>	<u>60,826</u>	<u>55,634</u>
Percentage of total	<u>100.00%</u>	<u>95.59%</u>	<u>2.30%</u>	<u>2.11%</u>

The accompanying notes are an integral part of these statements.

ST. LANDRY-EVANGELINE UNITED WAY  
OPELOUSAS, LOUISIANA  
STATEMENTS OF FINANCIAL POSITION  
TEMPORARILY RESTRICTED  
DECEMBER 31, 2007 AND 2006

	UCHC TEMPORARILY RESTRICTED	
	2007	2006
<u>ASSETS</u>		
Cash in Hancock Bank	\$73,269	\$119,262
Accounts receivable		1,142
Due from United Way	14,664	11,250
Due from Operation Caring Communities		50,000
Inventory - donated pharmacy supplies	121,684	
Property and equipment, net	62,770	76,500
<u>Total assets</u>	<u>272,387</u>	<u>258,154</u>
<u>LIABILITIES AND NET ASSETS</u>		
<u>LIABILITIES</u>		
Accounts payable	\$395	
Due to United Way - loan		\$50,000
- expenses		9,841
<u>Total liabilities</u>	<u>395</u>	<u>59,841</u>
<u>NET ASSETS</u>		
Restricted for United Community Health Center	271,992	198,313
<u>Total net assets</u>	<u>271,992</u>	<u>198,313</u>
<u>Total liabilities and net assets</u>	<u>272,387</u>	<u>258,154</u>

The accompanying notes are an integral part of these statements.

ST. LANDRY-EVANGELINE UNITED WAY  
OPELOUSAS, LOUISIANA  
STATEMENTS OF ACTIVITIES  
TEMPORARILY RESTRICTED  
FOR THE YEARS ENDED DECEMBER 31, 2007 AND 2006

	<u>UHC</u> <u>TEMPORARILY</u> <u>RESTRICTED</u>	
	<u>2007</u>	<u>2006</u>
<u>REVENUES AND OTHER SUPPORT</u>		
Grant income	\$75,000	\$157,324
Allocations from United Way to UHC	44,000	45,000
Donations	5,105	9,151
Donated services revenue	104,686	43,971
Donated materials - Direct Relief	369,000	
Lab income	6,669	2,742
Miscellaneous	8,591	
Vending revenue	55	143
In-kind revenue		350
Disaster relief revenue from United Way		27,243
<u>Total revenues and other support</u>	<u>613,106</u>	<u>285,924</u>
<u>EXPENSES</u>		
Management, general and campaign		
Salaries	55,664	45,897
Payroll taxes	5,427	4,137
Contract labor	46,900	26,200
Americorps reimbursement	25,280	
Advertising		30
Fundraising		182
Lab	6,567	4,602
Occupancy		1,000
Travel/training/education	6,656	3,408
Donated services	104,686	37,035
Donated materials - pharmacy	247,316	
Operation Caring Communities	236	271
Utilities	11,468	18,388
Building maintenance	2,368	1,716
Office supplies and printing	2,888	1,001
Postage	394	296
Food supplies		227
Copier/computer expense	266	1,486
Community education		300
Medical supplies/pharmacy	3,097	3,901
Permits, fees		365
Insurance	1,870	1,021
Volunteer program	198	411
Dues and subscriptions	172	150
Miscellaneous	14	576
Depreciation	17,960	9,676
<u>Total expenses</u>	<u>539,427</u>	<u>162,276</u>
<u>NET INCREASE (DECREASE) IN NET ASSETS</u>	73,679	123,648
<u>NON-OPERATING EXPENSE</u>		
Loss on disposition of assets		(11,956)

Continued on next page.

The accompanying notes are an integral part of these statements.

ST. LANDRY-EVANGELINE UNITED WAY  
OPELOUSAS, LOUISIANA  
STATEMENTS OF ACTIVITIES (CONTINUED)  
TEMPORARILY RESTRICTED  
FOR THE YEARS ENDED DECEMBER 31, 2007 AND 2006

	UCHC TEMPORARILY RESTRICTED	
	<u>2007</u>	<u>2006</u>
Net increase (decrease) in net assets	\$73,679	\$111,692
<u>NET ASSETS</u> , beginning of year	<u>198,313</u>	<u>86,621</u>
<u>NET ASSETS</u> , end of year	<u>271,992</u>	<u>198,313</u>

The accompanying notes are an integral part of these statements.

ST. LANDRY-EVANGELINE UNITED WAY  
OPELOUSAS, LOUISIANA  
STATEMENTS OF CASH FLOWS  
TEMPORARILY RESTRICTED  
FOR THE YEARS ENDED DECEMBER 31, 2007 AND 2006

	<u>TEMPORARILY RESTRICTED</u>	
	<u>2007</u>	<u>2006</u>
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>		
Cash received from grants and donations	\$183,893	\$237,803
Program income	6,669	2,742
Cash paid for salaries and benefits	(61,091)	(50,035)
Cash paid to suppliers	(107,979)	(65,529)
Transactions with United Way	(63,255)	
<u>Net cash provided (used) by operating activities</u>	<u>(41,763)</u>	<u>124,981</u>
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>		
Acquisition of property and equipment	(4,230)	(60,689)
<u>Net cash used by investing activities</u>	<u>(4,230)</u>	<u>(60,689)</u>
<u>NET INCREASE (DECREASE) IN CASH</u>	<u>(45,993)</u>	<u>64,292</u>
<u>CASH, beginning of year</u>	<u>119,262</u>	<u>54,970</u>
<u>CASH, end of year</u>	<u>73,269</u>	<u>119,262</u>
<u>RECONCILIATION OF INCREASE (DECREASE) IN NET ASSETS TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</u>		
Increase(decrease) in net assets	\$(48,005)	\$111,692
Adjustments to reconcile:		
Depreciation	17,960	9,676
Book value of assets disposed of		11,956
Donated assets		(6,936)
(Increase) decrease in receivables	47,728	(61,250)
Increase (decrease) in payables	(59,446)	59,843
<u>Net cash provided (used) by operating activities</u>	<u>(41,763)</u>	<u>124,981</u>
<u>SUPPLEMENTAL DATA FOR NONCASH ACTIVITIES</u>		
Noncash donation of property		
In-kind donations received		\$350
Direct Relief donations received	\$369,000	
Donated materials expensed	247,316	
Noncash donated services		
Donated services revenue	104,686	75,000
Donated services expense	104,686	75,000

The accompanying notes are an integral part of these statements.

ST. LANDRY-EVANGELINE UNITED WAY  
OPELOUSAS, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2007 AND 2006

NOTE (1) - NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES

A. NATURE OF ACTIVITIES

St. Landry-Evangeline United Way (United Way) was formed in 1957 as the United Givers Fund for the purpose of having one organized fund-raiser in Opelousas. Over the years the name has changed to reflect the expansion of services from Opelousas to St. Landry Parish and Evangeline Parish. United Way is supported through public contributions. Funds raised were disbursed among approximately 35 agencies.

B. BASIS OF ACCOUNTING

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

C. CASH AND CASH EQUIVALENTS

For the purposes of the statements of cash flows, St. Landry-Evangeline United Way considers all highly liquid debt instruments, purchased with a maturity of three months or less to be cash equivalents.

The carrying amount of financial instruments included in cash and cash equivalents approximates fair value because of the short maturities for the instruments held.

D. PROMISES TO GIVE

Contributions are recognized when the donor makes a promise to give to United Way that is, in substance, unconditional. Unconditional promises to give are measured at their fair value and reported as an increase in net assets immediately and are expected to be collected in less than one year. An allowance for uncollectible unconditional promises receivable has not been set up. Based on prior years' experience, amounts uncollectible are offset by additional receipts and the amount uncollectible is deemed to be immaterial.

E. DONATED SERVICES

United Way had donated services meeting the requirements for recognition in the financial statements. The requirements are that the donated services create or enhance a nonfinancial asset or that they are specialized skills that would have to be purchased if they were not donated. The United Community Health Center is run largely by volunteers, including physicians, pharmacists, and nurses. The amount of donated services recognized as revenues is \$104,686 at December 31, 2007 and \$43,971 at December 31, 2006. Included in this figure for 2006 is \$37,035 of medical personnel services for health clinic and \$6,936 donated labor in renovating the health center building. The \$6,936 represents 480 hours of time. This amount is capitalized in the health center building.

ST. LANDRY-EVANGELINE UNITED WAY  
OPELOUSAS, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2007 AND 2006

NOTE (1) - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

E. DONATED SERVICES - Continued

The number of donated hours of medical personnel time in operating the clinic for each year is as follows:

	<u>2007</u>	<u>2006</u>
Physicians	497	134
Pharmacists	289	164
Nurse practitioner		504
Nurses	<u>1,870</u>	<u>172</u>
	<u>2,656</u>	<u>974</u>

F. DONATED EXPENDITURES

Donated expenditures are recorded in the financial statements at their fair market value in the expense classification to which they apply, as follows:

	<u>2007</u>	<u>2006</u>
Printing	\$1,000	\$1,000
Direct Relief donations	369,000	
Materials expensed	<u>(247,316)</u>	<u>      </u>
Total	<u>122,684</u>	<u>1,000</u>
Property and equipment		
United Way		\$150
Health Center	<u>      </u>	<u>350</u>
	<u>-0-</u>	<u>500</u>

G. ESTIMATES

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America, requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

H. PROPERTY AND EQUIPMENT

Fixed assets purchased are recorded at cost. Donated assets are recorded at fair market value. Such donated assets are reported as unrestricted support unless the donor has restricted the donated asset to a specific purpose. Depreciation is computed using the straight-line method based on the estimated useful life of each asset. The building is depreciated over a 40 year period. Average lives for office furniture and equipment are estimated to be 5-7 years. Maintenance and repairs are charged to operations when incurred.

I. INCOME TAXES

United Way is a nonprofit organization exempt from income taxes under the Internal Revenue Code Section 501(c)(3) and similar provisions of the State Code. Therefore, no provision for income taxes has been made.

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NOTE (1) - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

J. STATEMENT OF CASH FLOWS

For purposes of reporting the statement of cash flows, all highly liquid investments with a maturity of three months or less are considered to be cash equivalents.

K. COMPENSATED ABSENCES

All full-time employees of United Way earn vacation time, which cannot be carried forward if unused by year-end; therefore, there is no provision for unused accrued vacation time.

L. FUNCTIONAL ALLOCATION OF EXPENSES

The costs of providing the programs and other activities have been presented on a functional basis in the Statements of Functional Expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Salaries and payroll costs are allocated based on an estimate of the employee's time spent on each activity. Salaries and payroll taxes are allocated one half to program services and one fourth each to campaign and management and general.

All expenses for the United Community Health Center are allocated to program services.

All other expenses are allocated based on an estimate of actual usage.

M. ADVERTISING

St. Landry-Evangeline United Way expenses advertising costs as they are incurred. Advertising expense amounted to \$733 in 2007 and \$315 in 2006.

N. INVENTORIES

Inventories consist of materials and supplies given to United Way for distribution to others. In kind inventory is recorded at fair market value.

NOTE (2) - CONCENTRATION OF CREDIT RISK

St. Landry-Evangeline United Way maintains checking and savings accounts with financial institutions that insure cash balances for each account up to \$100,000 through the Federal Deposit Insurance Corporation. At December 31, 2007 and December 31, 2006, St. Landry-Evangeline United Way had uninsured cash balances of \$59,054 and \$116,753, respectively.

NOTE (3) - RETIREMENT PLAN

The employees of St. Landry-Evangeline United Way are on the Social Security Retirement System and also participate in a Simplified Employee Pension (SEP) plan. United Way contributes to the SEP monthly for the executive director and the program services director. Contributions to the SEP amounted to \$2,225 in 2007 and \$1,885 in 2006.

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NOTE (4) - PROPERTY AND EQUIPMENT

The following is a summary of unrestricted property and equipment at December 31, 2007 and 2006:

	<u>2007</u>	<u>2006</u>
Equipment	\$32,607	\$27,176
Donated equipment	15,350	15,350
Equipment - Katrina funds	<u>11,543</u>	<u>11,543</u>
	59,500	54,069
Accumulated depreciation	<u>(35,182)</u>	<u>(29,059)</u>
<u>Net</u>	<u>24,318</u>	<u>25,010</u>
Depreciation expense	<u>\$6,123</u>	<u>\$6,097</u>

On September 29, 2006, St. Landry-Evangeline United Way entered into an agreement with Southern Breeze Limits to sell the service center land and building for \$280,000. A promissory note was issued to United Way on this date. St. Landry-Evangeline United Way agreed to apply the principal amount of the note towards the costs for demolition of the building and for grading and site clearing expenses on the property. The note also specifies that United Way will receive interest on the note at the rate of 6%. Receivables were set up at December 31, 2006 as follows:

Interest receivable	<u>\$4,327</u>
Due from Southern Breeze	
Sale amount	\$280,000
Expenses of demolition	<u>(185,387)</u>
Net	<u>94,613</u>

A loss on the sale is computed as follows:

Due from Southern Breeze	\$94,613
Expense paid by United Way	<u>(2,418)</u>
	92,195
Book value of property	(198,634)
Income from auction	<u>8,612</u>
Loss on sale - recognized in 2006	<u>(97,827)</u>

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NOTE (4) - PROPERTY AND EQUIPMENT - CONTINUED

The cost of equipment includes \$15,350 of equipment donated to United Way at December 31, 2007 and \$16,800 at 2006 and carried at fair market value. Accumulated depreciation on donated equipment amounts to \$13,420 in 2007 and \$11,234 in 2006 with depreciation expense amounting to \$2,186 in 2007 and \$2,358 in 2006.

The following is a summary of property and equipment for the Health Center at December 31, 2007 and 2006:

	<u>2007</u>	<u>2006</u>
Equipment	\$37,748	\$33,517
Leasehold improvements	<u>62,573</u>	<u>62,574</u>
	100,321	96,091
Accumulated depreciation	<u>(37,551)</u>	<u>(19,591)</u>
	<u>62,770</u>	<u>76,500</u>
Depreciation expense	<u>\$17,960</u>	<u>\$9,676</u>

The cost of equipment includes \$8,480 of equipment donated to the United Community Health Center at December 31, 2007 and \$8,480 at 2006 and carried at fair market value. Accumulated depreciation on donated equipment amounts to \$6,081 in 2007 and \$4,839 in 2006 with depreciation expense amounting to \$1,242 in 2007 and \$3,805 in 2006.

NOTE (5) - CONTRIBUTIONS

The following is a summary of each campaign for 2007 and 2006:

<u>Campaign</u>	<u>Receivable 1/1/07</u>	<u>Campaign Pledges</u>	<u>Receipts in 2007</u>	<u>Write Offs</u>	<u>Receivable 12/31/07</u>
2005	\$67,273		\$66,403	\$870	
2006	401,326	\$29,960	306,468		\$124,818
2007	<u>          </u>	<u>518,339</u>	<u>60,653</u>	<u>      </u>	<u>457,686</u>
	<u>468,599</u>	<u>548,299</u>	<u>433,524</u>	<u>870</u>	<u>582,504</u>

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NOTE (5) - CONTRIBUTIONS - CONTINUED

<u>Campaign</u>	<u>Receivable 1/1/06</u>	<u>Campaign Pledges</u>	<u>Receipts in 2007</u>	<u>Write Offs</u>	<u>Receivable 12/31/06</u>
2004	\$92,505		\$92,505		
2005	356,688	\$26,921	316,336		\$67,273
2006		442,398	41,072		401,326
	<u>449,193</u>	<u>469,319</u>	<u>449,913</u>	<u>-0-</u>	<u>468,599</u>

NOTE (6) - LEASES

St. Landry-Evangeline United Way leases various equipment under several lease commitments as follows:

Operating Lease Agreement - Lanier

Effective February 1, 2002, United Way entered into a 60 month lease with Lanier for a copier. The lease agreement is payable in monthly installments and expires February 1, 2007, at which time, the lease provides for transfer of ownership by allowing United Way to purchase the copier at fair market value. Lease expenses of \$3,527 and \$5,220 were charged to operations in 2007 and 2006, respectively.

Capital Lease Obligations - Executone

St. Landry-Evangeline United Way entered into a capital lease agreement effective October 4, 2001, with Executone, to purchase a telephone system. The lease was payable in 60 monthly installments of \$85 and expired October 4, 2007, at which time the lease provided for transfer of ownership for \$1.

NOTE (7) - TEMPORARILY RESTRICTED ASSETS

During 2002, a free health care clinic located in the United Way facility began operation. United Way received a grant to fund the operation of the clinic; therefore, all activities of the clinic are temporarily restricted. The clinic was opened to the public in March, 2005 and will eventually receive nonprofit status as a stand alone entity separate from United Way. The United Community Health Center operated at a net loss of \$48,005 at December 31, 2007 and a net income of \$111,692 at December 31, 2006. All assets are restricted for use of the United Community Health Center.

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NOTE (8) - GRANT INCOME

A breakdown of grant income in the UCHC fund follows:

	<u>2007</u>	<u>2006</u>
Direct Relief International		\$31,074
Foundation for Mid South	\$25,000	
United Way of Southeastern Pennsylvania		50,000
Association of Louisiana Free Clinics		11,250
Americares	50,000	50,000
Baxter Foundation		<u>15,000</u>
	<u>75,000</u>	<u>157,324</u>